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Industrial Development Board

Twenty-sixth session

SUMMARY RECORD OF THE 5th MEETING

Held at the Vienna International Centre, Vienna,
on Thursday, 21 November 2002, at 10 a.m.

President: Mr. HORVATH (Hungary)

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The meeting was called to order at 10.25 a.m.

PERSONNEL MATTERS (IDB.26/11)

CONSULTATIONS WITH NON-MEMBER STATES (IDB.26/14 and Corr.1; IDB.26/CRP.6)

1. **Mr. V. G. GARCIA III** (Philippines), speaking on behalf of the Group of 77 and China, took note of document IDB.26/11. Given the central role of human resource management in the success of the Organization's programmes, the Group of 77 and China wished to encourage UNIDO to continue the implementation of the Human Resource Management Framework, launched in June 2001. He requested clarification on the financial implications of the implementation of the International Civil Service Commission salary scale.

2. Maintaining an appropriate balance in terms of gender and geographical distribution among the Secretariat staff was a desirable objective in any international organization, and he urged the Secretariat to continue to apply the principle of equitable geographical distribution in personnel policy, in particular at the Professional level. The Group of 77 and China also strongly supported gender balance at all levels of the Secretariat, especially at Director level.

3. With regard to consultations with non-Member States, he noted the report (IDB.26/14 and Corr.1) and urged UNIDO to continue to intensify its efforts to persuade non-Member States to join or rejoin UNIDO with a view to increasing its international recognition and its financial resources. A mechanism might be established to enable the consultations to be pursued by the Director-General in coordination with Member States in a systematic manner.

4. He emphasized the important role of UNIDO in helping developing countries to build competitive industrial capacities, overcome their marginalization and improve their market access in order to eradicate poverty.

5. **Mr. SREENIVASAN** (India), speaking on behalf of the Asian Group, noted that, while the representation of female staff had improved since the previous year, UNIDO should continue efforts in that direction with a view to achieving gender balance. He wished also to draw attention to the low representation of the Asian Group among senior Professional staff (8 per cent) and other Professional staff (15 per cent). He welcomed the initiative concerning appointments of limited duration, but suggested having a shorter break before a new appointment was possible; the period could be reduced from one year to six months. He welcomed the staff performance appraisal system

recently introduced as a measure to improve work standards in the Organization. He hoped that the recommendations of the External Auditor would be kept in mind in the development of key performance indicators. His Group supported UNIDO's efforts to ensure the efficiency of the Organization in the field of human resource management and believed that enhanced quality of services and performance of the Organization depended on staff quality and competence. The application of objective criteria and transparency in staff recruitment might help in that regard. He urged the Secretariat to provide sufficient time between the day of posting of a vacancy announcement and the deadline for applications, to enable Member States to nominate the best qualified candidates.

7. Regarding consultations with non-Member States, he said that the new reformed UNIDO had found a niche in global industrialization efforts by adopting innovative approaches to sustainable development, including assistance in the elimination of chlorofluorocarbons (CFCs) and the promotion of environmentally compatible advanced and clean technologies. There was now all-round praise for UNIDO's primary role as a catalyst for industrial development in developing countries. However, despite renewed interest in UNIDO among major donor countries, a significant number of countries, including some former Members, remained outside the membership of UNIDO. The time had come for a systematic campaign to widen the membership of UNIDO, and he suggested that a suitable mechanism be established by the Director-General to pursue the matter.

8. **Mr. KIM Chang-mo** (Republic of Korea) commended the UNIDO Secretariat for its efforts during the past biennium to pursue a recruitment policy that was geared to improving gender balance and geographical distribution and appreciated the progress made. Much remained to be done, however; for example, the Asian Group was very poorly represented among the senior-level staff of UNIDO. He was aware of the difficulties, particularly at times when recruitment was stagnating, but urged the Secretariat to be resourceful and innovative in finding ways to remedy the situation.

9. **Mr. KALININ** (Russian Federation) supported the efforts of UNIDO to create a system of human resources management that would ensure the stability of the service and the recruitment, retention and promotion of the most qualified staff. He welcomed the new practice of limited duration appointments as a flexible mechanism for recruitment. He supported the

Director-General's proposal to reduce the number of staff at the D-2/L-7 level by moving staff to the field; the practice should be extended to all L category staff, to lessen the burden on the budget. He agreed that the recommendations of the International Civil Service Commission approved by the United Nations General Assembly should be applied to UNIDO and supported the nominations put forward by the regional groups for the Staff Pension Committee for the period 2002-2003.

10. **Mr. ITO** (Japan) said that effective and efficient human resource management was crucial to any organization wishing to achieve its goals, and that Japan therefore supported the amendment to schedule I of the staff regulations, which aimed to bring the schedule in conformity with the decision of the fifty-sixth session of the United Nations General Assembly with a view to securing highly motivated and capable staff. He expressed support for the revisions made to the various appendices and provisions of the staff rules.

11. He supported the statement of the representative of the Group of 77 and China regarding the importance of gender balance; however, he also wished to stress the importance of paying due attention to the geographical distribution of the staff. In that regard, he supported the statement made by the representative of the Republic of Korea. He welcomed the three new Managing Directors; he looked forward to a consolidation of the benefits of UNIDO's latest restructuring and further enhanced programme delivery under the leadership of the new Managing Directors.

12. **Mr. FORNOCALDO** (Managing Director, Division of Administration) expressed appreciation for what had been said. He and his senior management would do their best to achieve the goals set for them.

13. **Mr. FIGUEROA** (Observer for Argentina), speaking on behalf of the Latin American and Caribbean Group and referring to agenda item 6, "Consultations with non-Member States", said that his Group took note of the information in document IDB.26/14 and considered that UNIDO should make every effort to encourage non-Member States to join or rejoin the Organization. The UNIDO offices in New York and Geneva could be used as a basis for such efforts.

14. **Mr. PAULINICH** (Peru) said that UNIDO should do its utmost to ensure that countries that were not Members of the Organization knew about its achievements and its capacity to provide technical cooperation within the terms of its mandate, in order to promote interest in its activities and broaden its membership, with benefits for the Organization as a whole. That also applied to States which had been Members of UNIDO in the past and that had left the Organization in a context very different from the

current one: greater knowledge of the current situation and prospects of UNIDO following the reforms of recent years might encourage them to reconsider their decisions. Peru wished to encourage UNIDO to continue its efforts and expressed its willingness to cooperate with the Director-General in that regard.

15. **Mr. V. G. GARCIA III** (Philippines) took note of the document on consultations with non-Member States (IDB.26/14). The expansion of UNIDO's membership was important in order for UNIDO's programmes and services to benefit as many developing countries as possible, especially those that had recently joined the international community of nations as newly independent States. He commended the Director-General and the Secretariat for their efforts to persuade non-Member States to join the Organization. He also hoped that the Director-General would be successful in his efforts to encourage the return of former Members to the Organization. The Philippines was willing to contribute to all those efforts.

16. **Mr. MOKADADER** (Morocco) said that Morocco had taken note with satisfaction of document IDB.26/14 regarding the consultations begun with non-Member States with a view to encouraging them to join or rejoin the Organization, and welcomed UNIDO's efforts in that regard. However, Morocco associated itself with those delegations which had called for a mechanism to govern those consultations to be established in close cooperation with Member States.

REPORT OF THE PROGRAMME AND BUDGET COMMITTEE (*continued*) (IDB.26/13)

(d) MOBILIZATION OF FINANCIAL RESOURCES (*continued*) (IDB.26/6; IDB.25/2 and Add.1)

17. **Mr. A.H.A. MOHAMED** (Sudan) expressed his satisfaction with the high rate of collection of assessed contributions (87.6 per cent), which was a positive indication of the commitment of Member States. The Sudan had paid its contribution in full, as in past years, and would continue to do so in order to give full support to the Organization and make possible the implementation of all the proposed projects.

18. The Sudan gave the UNIDO office in Khartoum all possible assistance and had cooperated with UNIDO experts in revising the national programme, in accordance with the agreement concluded by the Minister of Industry and the Director-General of UNIDO during the latter's visit to the Sudan. He hoped that the programme would be implemented as soon as possible. The Sudan was also cooperating with UNIDO with a view to the preparation of a donor conference in

early 2003 so as to guarantee the necessary funding for the revised national programme.

**PROVISIONAL AGENDA AND DATE OF THE
TWENTY-SEVENTH SESSION (IDB.26/CRP.3)**

19. **The PRESIDENT** said that there were three options for the dates of the twenty-seventh session of the Board: first, from 24 to 26 June 2003, in which case the session would coincide with the twentieth session of the Preparatory Commission of the Comprehensive Nuclear-Test-Ban Treaty Organization; second, from 30 June

to 2 July, in the Austria Center; third, from 26 to 28 August. Informal consultations had indicated 26-28 August as the preferred option.

20. **Mr. GONZALEZ ANINAT** (Chile) said that it was regrettable that sessions of different bodies within the United Nations system often took place at the same time. The best dates for the Board would be 26-28 August 2003.

21. **The PRESIDENT** said that the draft decision being prepared would indicate the dates 26-28 August 2003.

The meeting rose at 11 a.m.